

COUNCIL ON PENSIONS AND INSURANCE

Amendment No. 1 to SB4028

McNally
Signature of Sponsor

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 4028*

House Bill No. 3958

by deleting the directory and amendatory language of SECTION 28 and by substituting instead the following:

SECTION 28. Tennessee Code Annotated, Title 8, Chapter 35, Part 2, is amended by adding the following language as a new, appropriately designated section:

Section ____.

(a) A regional jail authority created by two (2) or more counties or municipalities pursuant to this act may request approval of the board of trustees to become a participating employer in the Tennessee consolidated retirement system upon satisfying the following conditions:

(1) The board of commissioners of the authority passes a resolution authorizing an actuarial study to determine the liability associated with such participation, and accepting responsibility for the costs of such study; and

(2) Following receipt of the actuarial study, the board of commissioners of the authority passes a resolution authorizing such participation and accepting the liability therefor.

(b) The employees of the authority shall make the same contributions, participate in the same manner, and shall be eligible for the same benefits as employees of other local governments participating in the retirement system under this part.

(c) The employees shall be entitled to credit for prior service as approved by the board of commissioners of the authority under the same provisions which apply to employees of other local governments.

(d) The retirement system shall not be liable for the payment of retirement allowances or other payments on account of employees of the authority or their beneficiaries, for which reserves have not been previously created from funds contributed by the authority and/or its employees.

(e) It is the legislative intent that the state shall realize no increased cost as a result of this section. All costs associated with retirement coverage, including administrative costs, shall be the responsibility of the authority.

(f) If an authority is admitted and participates in the retirement system pursuant to this section, any county or municipality becoming a member of the authority by agreement after its coverage in the retirement system shall, as a condition of such agreement, be deemed to have accepted its share of the liability incurred by the authority's participation.

(g) In case of the withdrawal of an authority as a participating employer, the benefits of the members and beneficiaries shall be determined in accordance with the provisions of § 8-35-211.